



# Commission on Government Forecasting and Accountability

802 Stratton Ofc. Bldg., Springfield, IL 62706

**MONTHLY BRIEFING FOR THE MONTH ENDED: MARCH 2022**

<http://cgfa.ilga.gov>

**CORRECTION IN THE FY 2018 – FY 2022 INTERFUND BORROWING UPDATE SECTION ON PAGES 8 – 10, REPLACING INCORRECT TABLE WITH CORRECT UP-TO-DATE TABLE.**

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### FY 2023 State Employees’ Group Insurance Program Update

Anthony Bolton, Revenue Analyst

Following in the path of previous years, the Commission recently published its revenue and liability estimates on the FY 2023 State Employees Group Insurance Program. This report details state estimates of revenues, expenditures, membership, and trends within health insurance for the 2023 fiscal year. This report also details the status of health insurance bills held by the State of Illinois and historical trends in that area. The full report is available on the Commission’s website, but the following presents the major points from the FY 2023 report.

Most existing health insurance contracts are expected to remain in place, though a relatively new Open Access Plan from Blue Cross Blue Shield of Illinois and vendor for life insurance (Metropolitan Life) may be of interest to SEGIP participants. New Medicare Advantage vendors are expected to be announced in the coming months as the State proceeds through the RFP process, with new plans available for retirees and dependents by the annual enrollment period in November 2022. Negotiated rate increases starting at an additional \$20/month for existing employees and dependents are expected for FY 2023.

COVID-19 continues to recede in importance for people returning to normal medical care choices.

### INSIDE THIS ISSUE

PAGE 1: FY 2023 State Employees’ Group Insurance Program Update

PAGE 6: Cannabis Quarterly – 3<sup>rd</sup> Quarter FY 2022

PAGE 7: Illinois Economic Indicators

PAGE 7: FY 2018 – FY 2022 Interfund Borrowing Update

PAGE 11: **REVENUE:** Robust Revenue Growth Returns as March Receipts Up \$816 Million

PAGE 11 - 12: Revenue Table

Health care usage by SEGIP participants is returning to pre-pandemic utilization, though innovations such as telehealth and other contactless options remain popular. This trend may change depending on a variety of factors, including the impact of new COVID variants and the ensuing pressures on health care providers and facilities. For now, people are resuming their normal visits to physicians, engaging in health screenings, and pursuing preventative treatments and therapies.

Central Management Services has developed a variety of wellness options under the umbrella of the “Be Well Illinois” program. This initiative incorporates a variety of informative resources in an attempt to encourage improved SEGIP participant health. While the success of this program is difficult to specifically measure (according to testimony by CMS at the annual CGFA Group Insurance Meeting), improved participant health can translate to more diligent participation in yearly physicals/check-ups, potentially earlier detection of health issues, and an overall healthier cohort of state participants reducing expensive long-term utilization of medical treatments.

### **Liabilities/Revenues**

The Commission utilizes projections from CMS as well as from the Segal Company survey of health insurance companies to formulate the FY 2023 projections for health insurance trends. Various

components shape overall liability, including general medical cost inflation and leveraging (lower impact of coinsurance limits, level deductibles, etc.). Also, advances in technological innovation, more use of equipment/services, and the continued “greying” (aging and extended living) of the population have historically contributed to greater health care costs to the State. In addition to these factors, the impact of a gradual shift by employees to HMOs, OAPs, and the relatively new Consumer Driven Health Plan from the Quality Care Health Program (QCHP) has resulted in more costly/higher risk employees remaining in the QCHP program, raising the per-member cost of that program. In terms of cost reduction, movement of Medicare-eligible retirees out of the QCHP/CDHP/HMOs/OAPs has reduced overall liability within the group insurance program in the past and continues to be a factor in overall State costs being significantly lower than otherwise.

CMS estimates the FY 2023 liability to be \$3.065 billion, which is a 2.0% increase from the FY 2022 anticipated final liability of \$3.005 billion. Noting these predictions, and utilizing the factors and trends described previously, the Commission has presumed that liabilities and revenues will follow trends from FY 2022 and previous fiscal years and estimates a total SEGIP liability of \$3.089 billion in FY 2023, \$23.9 million more than CMS.

<b>FY 2023 GROUP HEALTH INSURANCE LIABILITY</b>			
(\$ in Millions)			
<b>Liability Component</b>	<b>FY 2022 CMS Estimate</b>	<b>FY 2023 CMS Projection</b>	<b>FY 2023 CGFA Projection</b>
QCHP Medical	\$347.3	\$334.8	\$340.4
QCHP Prescriptions	\$123.3	\$115.6	\$116.7
Dental	\$130.5	\$134.4	\$134.4
HMO	\$985.4	\$969.6	\$977.2
Medicare Advantage HMO/PPO	\$157.7	\$167.0	\$169.3
Open Access Plan	\$996.9	\$1,064.8	\$1,068.8
Consumer Driven Health Plan (HDHP)	\$16.2	\$20.1	\$20.4
Mental Health	\$5.6	\$5.6	\$5.6
Vision	\$8.4	\$8.4	\$8.4
Administrative Services (QC)	\$15.8	\$14.7	\$14.7
Life	\$83.2	\$85.5	\$85.8
Special Programs (Admin/Int./Other)	\$134.2	\$144.4	\$147.1
<b>TOTAL</b>	<b>\$3,004.5</b>	<b>\$3,064.9</b>	<b>\$3,088.8</b>
% increase over prior year	-3.7%	2.0%	2.8%
*Rounding may cause slight differences. FY 2022 and FY 2023 Special Programs line includes Prompt Payment and Timely Payment Interest.			

The CMS liability estimate for FY 2023 is a 2% increase from FY 2022, based primarily on increases in the Medicare Advantage and Open Access Plan components. These two components have grown in recent years, as Quality Care Health Plan (QCHP) liability, once a much larger component of overall liability, has diminished in the wake of employees seeking lower cost options and retirees moving to Medicare Advantage plans. The utility of the Open Access Plan attracts employees who need or want more options for their health care than those provided by traditional HMO plans, but who want to save some costs compared to the QCHP.

One success story in the overall liability of the SEGIP is the near elimination of interest payments in FY 2022 and potentially for FY 2023 as well. Once a major component of liability, comprising over \$274 million only a few years ago, interest payments are projected to amount to only \$1 million in the current fiscal year. For FY 2023, the legislature has passed, and the Governor has signed a supplemental \$898

million appropriation (P.A. 102-696) which is expected to eliminate all SEGIP interest liability for FY 2023, as well as reducing the payment hold cycles for all SEGIP vouchers for CMS to below any interest-bearing duration (30-90 days, depending on the type of voucher). This is expected to result in the first year of no interest payments in at least twenty years.

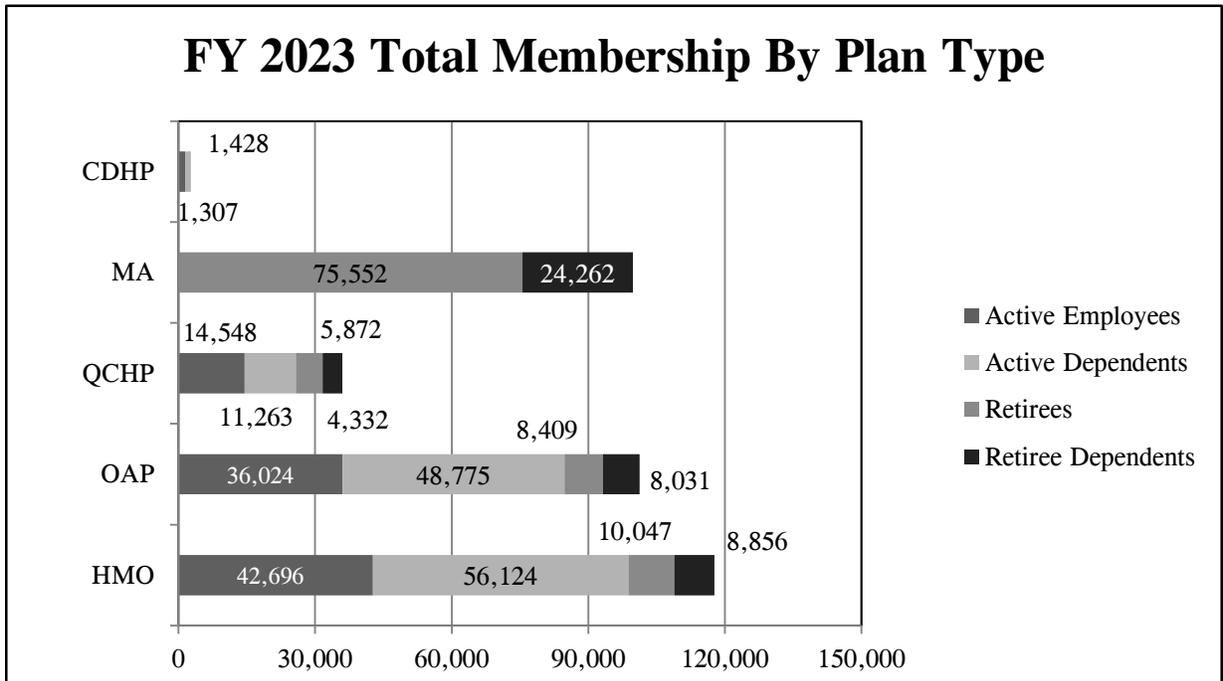
In regard to revenues for FY 2023, the SEGIP is projected to remain substantially the same as in FY 2022, though the aforementioned supplemental appropriation does otherwise skew the comparison. Removing the \$898 million appropriation results in a slightly lower expected revenue for FY 2023 of \$3.065 billion (compared to \$3.068 billion in FY 2022). Lower GRF (-\$9.9 million, \$1.841 billion in FY 2023 compared to \$1.851 billion in FY 2022) and Road Fund (-\$20.7 million, \$110.3 million in FY 2023 compared to \$131 million in FY 2022) appropriations are balanced out by an expected increase in employee contributions (\$31.1 million).

<b>GROUP INSURANCE FUNDING SOURCES</b>				
<b>FY 2022 - FY 2023</b>				
<b>(\$ in Millions)</b>				
	<u>FY 2022</u>	<u>FY 2023</u>	<u>\$ Change from FY22</u>	<u>% Change from FY22</u>
GRF Appropriation	\$1,851.1	\$1,841.2	(\$9.9)	-0.5%
Prior Year GRF	\$898.3	\$0.0	(\$898.3)	0.0%
Road Fund	\$131.0	\$110.3	(\$20.7)	-15.8%
University Cont.	\$45.0	\$45.0	\$0.0	0.0%
Prior Year Univ. Cont.	\$1.7	\$0.0	(\$1.7)	-100.0%
Member Cont.	\$519.8	\$550.9	\$31.1	6.0%
Other Funds	\$402.4	\$401.7	(\$0.7)	-0.2%
Medicare Part D rebate	\$4.5	\$4.2	(\$0.3)	-6.7%
Rebates/Interest/Other.	\$112.9	\$111.7	(\$1.2)	-1.1%
<b>TOTAL</b>	<b>\$3,966.7</b>	<b>\$3,065.0</b>	<b>-\$901.7</b>	<b>-22.7%</b>
<b>TOTAL - Approp. Removed</b>	<b>\$3,068.4</b>	<b>\$3,065.0</b>	<b>-\$3.4</b>	<b>-0.1%</b>
<b>Source: CMS</b>				

### Membership

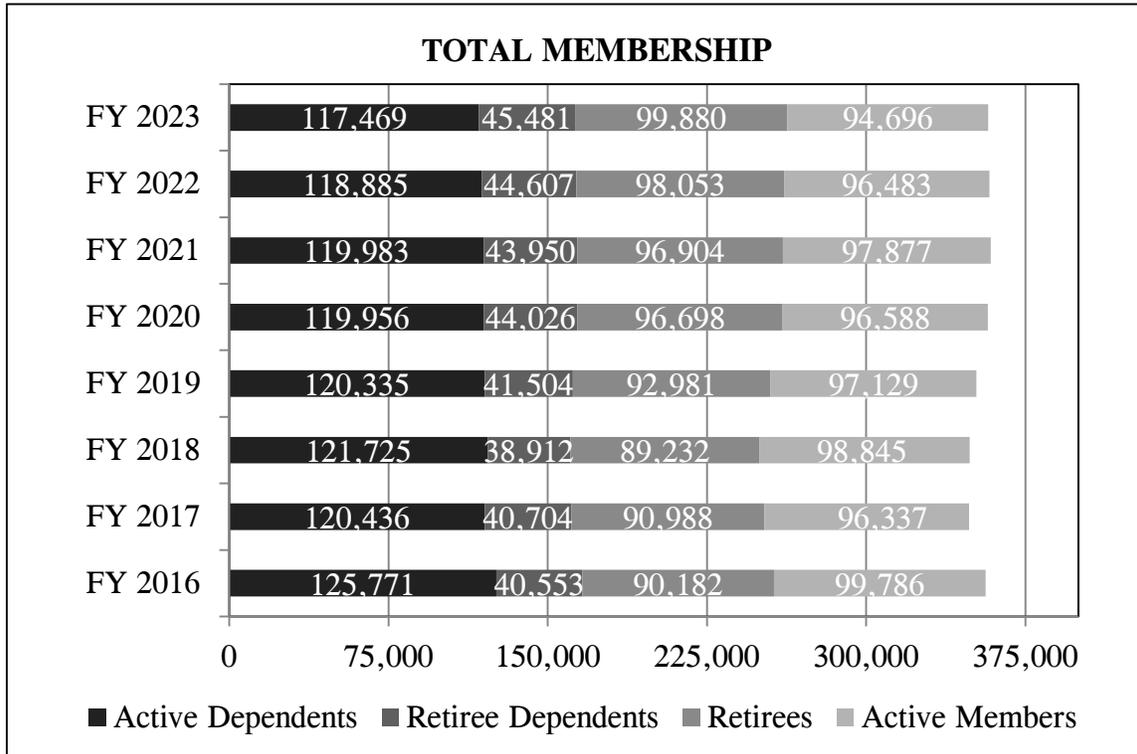
For FY 2023, the QCHP is estimated to have 14,548 employees, 11,263 active employee dependents, 4,332 retiree dependents, and 5,872 retirees. Medicare advantage HMO/PPO plans are expected to have 24,262 dependents and 75,552 retirees. Non-Medicare Advantage HMO Plans are expected to have 42,696 employees, 56,124 active dependent

lives, 8,856 retiree dependents, and 10,047 retirees. OAPs are expected to have 36,024 employees, 48,775 active dependents, 8,031 retiree dependents, and 8,409 retirees in FY 2023. The Consumer Driven Health Plan is projected to have 1,428 employees and 1,307 active employee dependents, which are primarily assumed to come from existing HMO plans. Total FY 2023 membership is expected to decrease 0.1% from 358,028 to 357,526.



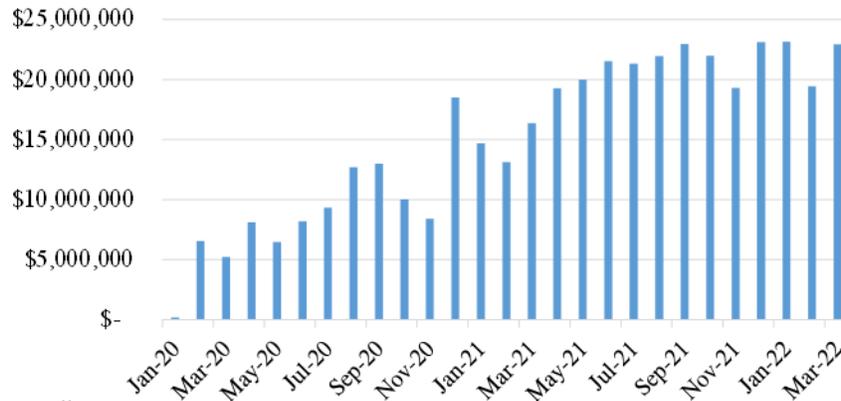
The following chart depicts the long-term pattern of population shifts within the SEGIP. In FY 2016, active members and their dependents comprised over 225,000 participants while retirees and their dependents comprised 130,000 participants, differing by 95,000 between the two groups. In FY 2023, this split is projected to be smaller, as 212,000 active members and dependents are expected to be covered compared to 145,000 retirees and

dependents, differing by 67,000. This shift towards more retirees and their dependents along with the limited contributions by these groups and increased health needs demonstrates the pressure of retiree health costs and the necessity of containing these costs, whether by wellness programs, Medicare Advantage-style health insurance plans, or other options yet to be determined.



**Cannabis Quarterly – 3<sup>rd</sup> Quarter FY 2022**  
Ben Varner, Senior Analyst and Economic Specialist

**MONTHLY CANNABIS EXCISE TAXES**



Illinois State Comptroller

**CANNABIS REGULATION FUND REVENUE**

(\$ millions)

Revenue Source	FY21 Q3	FY22 Q3	\$ Change	% Change	FY21 YTD	FY22 YTD	\$ Change	% Change
State Cannabis Excise Taxes	\$44.1	\$65.5	\$21.4	48.5%	\$116.1	\$196.2	\$80.1	69.0%
Licenses and Registration Fees	\$5.3	\$8.4	\$3.2	60.0%	\$8.2	\$10.3	\$2.1	26.2%
Other Revenue	\$0.0	\$0.0	\$0.0	n/a	\$0.0	\$0.1	\$0.1	4763.8%
<b>Total</b>	<b>\$49.4</b>	<b>\$74.0</b>	<b>\$24.6</b>	<b>49.8%</b>	<b>\$124.2</b>	<b>\$206.6</b>	<b>\$82.4</b>	<b>66.3%</b>

Illinois State Comptroller, CGFA

**CANNABIS REGULATION FUND EXPENDITURES**

(\$ millions)

Object of Expenditure	FY21 Q3	FY22 Q3	\$ Change	% Change	FY21 YTD	FY22 YTD	\$ Change	% Change
Transfer - General Revenue Fund	\$16.2	\$23.9	\$7.8	47.9%	\$35.0	\$65.5	\$30.6	87.5%
Transfer - Criminal Justice Info Projects	\$11.6	\$17.1	\$5.5	47.9%	\$25.0	\$46.8	\$21.8	87.5%
Transfer - Drug Treatment	\$0.9	\$1.4	\$0.4	47.9%	\$2.0	\$3.7	\$1.7	87.5%
Transfer - DHS Community Services	\$9.2	\$13.7	\$4.4	47.9%	\$20.0	\$37.4	\$17.5	87.5%
Transfer - Local Government Distributive Fund	\$3.7	\$5.5	\$1.8	47.9%	\$8.0	\$15.0	\$7.0	87.5%
Transfer - Budget Stabilization	\$4.6	\$6.8	\$2.2	47.9%	\$10.0	\$18.7	\$8.7	87.5%
Transfer - Cannabis Expungement	\$0.8	\$0.7	(\$0.1)	-6.9%	\$2.3	\$2.1	(\$0.2)	-7.6%
<b>Transfer Total</b>	<b>\$47.0</b>	<b>\$69.1</b>	<b>\$22.1</b>	<b>47.1%</b>	<b>\$102.2</b>	<b>\$189.4</b>	<b>\$87.2</b>	<b>85.4%</b>
Operations - Agriculture	\$0.2	\$1.1	\$0.9	423.9%	\$2.4	\$1.8	(\$0.7)	-26.9%
Operations - Commerce and Econ. Opportunity	\$0.0	\$0.1	\$0.1	n/a	\$0.0	\$0.1	\$0.1	n/a
Operations - Financial Professional Regulation	\$0.7	\$0.9	\$0.1	16.9%	\$1.7	\$2.5	\$0.8	47.4%
Operations - Public Health	\$0.0	\$0.0	\$0.0	n/a	\$0.0	\$0.0	\$0.0	n/a
Operations - Revenue	\$0.0	\$0.0	\$0.0	n/a	\$1.5	\$1.5	\$0.0	0.0%
Operations - State Police	\$0.2	\$0.7	\$0.5	303.3%	\$1.0	\$1.7	\$0.7	70.8%
Operations - Criminal Justice Information Authority	\$0.0	\$0.0	\$0.0	n/a	\$0.3	\$0.0	(\$0.3)	-100.0%
<b>Operations Total</b>	<b>\$1.1</b>	<b>\$2.7</b>	<b>\$1.6</b>	<b>143.6%</b>	<b>\$6.9</b>	<b>\$7.5</b>	<b>\$0.6</b>	<b>8.8%</b>
<b>Grand Total</b>	<b>\$48.1</b>	<b>\$71.9</b>	<b>\$23.7</b>	<b>49.3%</b>	<b>\$109.0</b>	<b>\$196.9</b>	<b>\$87.8</b>	<b>80.5%</b>

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**30 ILCS 105/5h.5 Interfund Borrowing Transfers to GRF and HIRF through FY 2022**

Fund #	Transfer from Fund Fund Name	Transferred To GRF	Transferred To HIRF	TTL Principal Paid Back	Amounts to be Paid Back	Interest Paid FY 2022
0016	Teacher Certificate Fee Revolving Fund		\$3,000,000	\$3,000,000	\$0	\$0
0022	General Professions Dedicated Fund	\$100,000	\$5,000,000	\$5,100,000	\$0	\$64,754
0044	Lobbyist Registration Administration Fund	\$2,000,000		\$2,000,000	\$0	\$0
0047	Fire Prevention Fund		\$5,000,000	\$5,000,000	\$0	\$0
0048	Rural/Downstate Health Access Fund	\$200,000		\$200,000	\$0	\$0
0050	Mental Health Fund		\$2,000,000	\$2,000,000	\$0	\$0
0054	State Pensions Fund	\$50,000,000		\$50,000,000	\$0	\$0
0057	Illinois State Pharmacy Disciplinary Fund		\$1,000,000	\$1,000,000	\$0	\$12,171
0059	Public Utility Fund		\$5,000,000	\$5,000,000	\$0	\$0
0067	Radiation Protection Fund	\$1,000,000		\$1,000,000	\$0	\$38,997
0068	Hospital Licensure Fund	\$1,500,000	\$1,500,000	\$3,000,000	\$0	\$30,511
0069	Natural Heritage Endowment Trust Fund	\$340,000		\$340,000	\$0	\$694
0072	Underground Storage Tank Fund	\$99,300,000	\$40,000,000	\$139,300,000	\$0	\$1,709,919
0075	Compassionate Use of Medical Cannabis Fund	\$5,500,000		\$5,500,000	\$0	\$122,001
0078	Solid Waste Management Fund		\$10,000,000	\$10,000,000	\$0	\$0
0082	Distance Learning Fund	\$100,000		\$100,000	\$0	\$0
0089	Subtitle D Management Fund		\$2,000,000	\$2,000,000	\$0	\$0
0093	Illinois State Medical Disciplinary Fund	\$20,000,000	\$6,000,000	\$26,000,000	\$0	\$410,280
0104	Stroke Data Collection Fund	\$150,000		\$150,000	\$0	\$0
0113	Community Health Center Care Fund	\$400,000		\$400,000	\$0	\$0
0115	Safe Bottled Water Fund	\$150,000		\$150,000	\$0	\$0
0118	Facility Licensing Fund	\$2,000,000	\$1,500,000	\$3,500,000	\$0	\$0
0145	Explosives Regulatory Fund	\$200,000		\$200,000	\$0	\$1,634
0148	Mental Health Reporting Fund	\$4,000,000		\$4,000,000	\$0	\$13,023
0150	Rental Housing Support Program Fund		\$1,000,000	\$1,000,000	\$0	\$0
0151	Registered Certified Public Accountants' Administration and Disciplinary Fund	\$500,000	\$3,000,000	\$3,500,000	\$0	\$40,598
0152	State Crime Laboratory Fund	\$2,000,000	\$1,500,000	\$3,500,000	\$0	\$0
0166	State Police Merit Board Public Safety Fund	\$500,000		\$500,000	\$0	\$4,085
0184	ICJIA Violence Prevention Fund	\$100,000		\$100,000	\$0	\$0
0238	Illinois Health Facilities Planning Fund	\$1,000,000		\$1,000,000	\$0	\$0
0240	Emergency Public Health Fund		\$500,000	\$500,000	\$0	\$0
0244	Residential Finance Regulatory Fund	\$1,000,000	\$1,000,000	\$2,000,000	\$0	\$20,341
0245	Fair and Exposition Fund	\$2,500,000		\$2,500,000	\$0	\$0
0256	Public Health Water Permit Fund	\$150,000		\$150,000	\$0	\$0
0258	Nursing Dedicated and Professional Fund	\$8,000,000	\$4,000,000	\$12,000,000	\$0	\$144,868
0259	Optometric Licensing and Disciplinary Board Fund	\$350,000		\$350,000	\$0	\$2,859
0265	State Rail Freight Loan Repayment Fund	\$6,000,000		\$6,000,000	\$0	\$279,635
0278	Income Tax Refund Fund	\$150,000,000		\$150,000,000	\$0	\$0
0286	Illinois Affordable Housing Trust Fund	\$21,295,000		\$21,295,000	\$0	\$477,809
0291	Regulatory Fund	\$100,000		\$100,000	\$0	\$316
0294	Used Tire Management Fund	\$1,500,000	\$1,000,000	\$2,500,000	\$0	\$0
0298	Natural Areas Acquisition Fund	\$2,000,000		\$2,000,000	\$0	\$0
0299	Open Space Lands Acquisition and Development Fund	\$58,000,000		\$58,000,000	\$0	\$0

Transfer from Fund		Transferred	Transferred	Principal Pd	Amounts to be	Interest Paid
Fund #	Fund Name	To GRF	To HIRF	Back (GRF)	Paid Back	FY 2022
0327	Tattoo and Body Piercing Establishment Registration Fund	\$500,000		\$500,000	\$0	\$0
0340	Public Health Laboratory Services Revolving Fund		\$1,500,000	\$1,500,000	\$0	\$14,573
0342	Audit Expense Fund	\$20,000,000		\$20,000,000	\$0	\$0
0343	Federal National Community Services Grant Fund	\$333,289		\$333,289	\$0	\$0
0356	Law Enforcement Camera Grant Fund		\$1,000,000	\$1,000,000	\$0	\$8,760
0362	Securities Audit and Enforcement Fund	\$12,000,000		\$12,000,000	\$0	\$102,011
0369	Feed Control Fund		\$1,000,000	\$1,000,000	\$0	\$0
0372	Plumbing Licensure and Program Fund	\$1,500,000	\$1,000,000	\$2,500,000	\$0	\$0
0384	Tax Compliance and Administration Fund	\$3,000,000		\$3,000,000	\$0	\$116,990
0421	Public Aid Recoveries Trust Fund	\$200,000,000		\$200,000,000	\$0	\$0
0422	Alternate Fuels Fund	\$1,500,000		\$1,500,000	\$0	\$0
0438	Illinois State Fair Fund		\$2,000,000	\$2,000,000	\$0	\$0
0453	Monitoring Device Driving Permit Administration Fee Fund	\$6,000,000		\$6,000,000	\$0	\$0
0510	Illinois Fire Fighters' Memorial Fund	\$5,000,000		\$5,000,000	\$0	\$0
0514	State Asset Forfeiture Fund	\$100,000		\$100,000	\$0	\$817
0527	Sex Offender Management Board Fund	\$100,000		\$100,000	\$0	\$0
0534	Illinois Workers' Compensation Commission Operations Fund	\$2,000,000	\$5,000,000	\$7,000,000	\$0	\$0
0536	LEADS Maintenance Fund		\$500,000	\$500,000	\$0	\$0
0539	Death Penalty Abolition Fund	\$1,500,000		\$1,500,000	\$0	\$0
0546	Public Pension Regulation Fund		\$2,000,000	\$2,000,000	\$0	\$24,342
0550	Supplemental Low-Income Energy Assistance Fund	\$112,000,000	\$30,000,000	\$142,000,000	\$0	\$0
0564	Renewable Energy Resources Trust Fund	\$1,500,000		\$1,500,000	\$0	\$0
0568	School Infrastructure Fund	\$146,000,000		\$146,000,000	\$0	\$0
0571	Energy Efficiency Trust Fund	\$4,000,000		\$4,000,000	\$0	\$0
0576	Pesticide Control Fund		\$1,500,000	\$1,500,000	\$0	\$0
0603	Port Development Revolving Loan Fund	\$204,153		\$204,153	\$0	\$0
0608	Partners for Conservation Fund	\$2,000,000		\$2,000,000	\$0	\$0
0611	Fund For Illinois' Future	\$61,181		\$61,181	\$0	\$0
0621	International Tourism Fund	\$1,500,000		\$1,500,000	\$0	\$0
0629	Real Estate Recovery Fund	\$350,000	\$1,000,000	\$1,350,000	\$0	\$0
0690	DHS Private Resources Fund	\$500,000		\$500,000	\$0	\$0
0702	Assisted Living and Shared Housing Regulatory Fund	\$500,000		\$500,000	\$0	\$3,252
0705	State Police Whistleblower Reward and Protection Fund	\$4,000,000	\$2,000,000	\$6,000,000	\$0	\$0
0708	Illinois Standardbred Breeders Fund	\$1,000,000		\$1,000,000	\$0	\$0
0709	Illinois Thoroughbred Breeders Fund	\$500,000		\$500,000	\$0	\$0
0714	Spinal Cord Injury Paralysis Cure Research Trust Fund	\$339,200		\$339,200	\$0	\$0

	Transfer from Fund	Transferred To GRF	Transferred To HIRF	Principal Pd Back (GRF)	Amounts to be Paid Back	Interest Paid FY 2022
Fund #	Fund Name					
0718	Community Mental Health Medicaid Trust Fund		\$5,000,000	\$5,000,000	\$0	\$48,578
0722	Comptroller Debt Recovery Trust Fund	\$16,000,000		\$16,000,000	\$0	\$0
0740	Medicaid Buy-In Program Revolving Fund		\$1,000,000	\$1,000,000	\$0	\$12,171
0746	Home Inspector Administration Fund	\$300,000		\$300,000	\$0	\$2,451
0763	Tourism Promotion Fund	\$5,000,000		\$5,000,000	\$0	\$0
0792	Cemetery Oversight Licensing and Disciplinary Fund	\$1,500,000	\$1,000,000	\$2,500,000	\$0	\$0
0795	Bank and Trust Company Fund	\$2,000,000	\$10,000,000	\$12,000,000	\$0	\$168,876
0796	Nuclear Safety Emergency Preparedness Fund	\$2,000,000	\$2,000,000	\$4,000,000	\$0	\$97,425
0801	Attorney General's State Projects and Court Ordered Distribution Fund	\$10,000,000		\$10,000,000	\$0	\$24,549
0816	Money Laundering Asset Recovery Fund	\$300,000		\$300,000	\$0	\$0
0818	Grant v. Dimas Escrow Fund	\$1,360,700		\$1,360,700	\$0	\$3,957
0821	Dram Shop Fund	\$9,000,000		\$9,000,000	\$0	\$0
0828	Hazardous Waste Fund	\$1,000,000	\$1,500,000	\$2,500,000	\$0	\$0
0836	Illinois Power Agency Renewable Energy Resources Fund	\$160,000,000	\$10,000,000	\$170,000,000	\$0	\$0
0840	Hazardous Waste Research Fund	\$300,000		\$300,000	\$0	\$0
0845	Environmental Protection Trust Fund	\$2,000,000		\$2,000,000	\$0	\$0
0848	Settlement Fund - Illinois Chamber of Commerce v. Filan	\$5,000,000		\$5,000,000	\$0	\$0
0850	Real Estate License Administration Fund	\$1,000,000		\$1,000,000	\$0	\$38,997
0888	Design Professionals Administration and Investigation Fund	\$200,000		\$200,000	\$0	\$1,634
0896	Public Health Special State Projects Fund	\$5,000,000		\$5,000,000	\$0	\$0
0906	State Police Services Fund	\$6,000,000	\$6,000,000	\$12,000,000	\$0	\$0
0920	Metabolic Screening and Treatment Fund	\$5,000,000		\$5,000,000	\$0	\$0
0922	Insurance Producer Administration Fund	\$15,000,000	\$30,000,000	\$45,000,000	\$0	\$0
0925	Coal Technology Development Assistance Fund	\$5,000,000		\$5,000,000	\$0	\$0
0940	Self-Insurers Security Fund		\$2,000,000	\$2,000,000	\$0	\$24,342
0942	Low-Level Radioactive Waste Facility Development and Operation Fund	\$500,000		\$500,000	\$0	\$4,085
0944	Environmental Protection Permit and Inspection Fund	\$3,100,000	\$5,000,000	\$8,100,000	\$0	\$0
0945	Landfill Closure and Post-Closure Fund	\$300,000		\$300,000	\$0	\$0
0962	Park and Conservation Fund	\$10,000,000		\$10,000,000	\$0	\$0
0974	Illinois Equity Fund	\$500,000		\$500,000	\$0	\$4,085
0975	Large Business Attraction Fund	\$100,000		\$100,000	\$0	\$817
0982	Adeline Jay Geo-Karis Illinois Beach Marina Fund	\$330,000		\$330,000	\$0	\$2,696
0997	Insurance Financial Regulation Fund	\$8,000,000	\$15,000,000	\$23,000,000	\$0	\$0
	<b>TOTAL</b>	<b>\$1,245,713,523</b>	<b>\$231,000,000</b>	<b>\$1,476,713,523</b>	<b>\$0</b>	<b>\$4,079,902</b>
* The Commitment to Human Services Fund is a General Fund.						
0644	Commitment to Human Services Fund*	\$10,500,000		\$10,500,000	\$0	\$0

## **Robust Revenue Growth Returns as March Receipts Up \$816 Million**

Eric Noggle, Senior Revenue Analyst

After a brief February dip, General Funds receipts returned to its torrid pace in FY 2022 with revenues rising \$816 million in March. Gains were experienced from a majority of revenue sources with the largest coming from the “big three” (personal income tax, corporate income tax, sales tax), as well as federal sources. March had the same amount of receipting days as last year.

In March, gross personal income tax receipts increased an impressive \$602 million, or \$507 million on a net basis. Gross corporate income tax receipts continued its remarkable year, growing another \$180 million, or \$139 million net. While the growth in income tax revenues is a continuation of the increases seen throughout the fiscal year, the extent of the March gains may, in part, be due to the return to a more-typical tax deadline of April 18<sup>th</sup>. In 2021, the tax deadline was delayed to May 17<sup>th</sup> due to the pandemic, which may have resulted in some taxpayers waiting to pay their taxes until April or May instead of in March. Because of this, the levels of growth experienced this March may be artificially high. A similar situation will occur for the upcoming April comparisons. [Conversely, an exaggerated revenue reduction is expected to occur in May as May 2021 receipts will contain final tax payments that will not be included in the May 2022 figures].

Sales tax receipts continued its strong fiscal year adding another \$106 million, or \$64 million on a net basis. Other increases from State sources came from insurance taxes [up \$21 million]; other miscellaneous State sources [up \$12 million]; cigarette taxes [up \$4 million]; and from interest on State funds and investments [up \$2 million].

A few of the smaller State sources experienced monthly year-over-year declines: inheritance taxes fell \$20 million; public utility taxes declined \$14 million; corporate franchise taxes dropped \$5 million; and liquor taxes in March were \$1 million lower than last fiscal year.

Overall transfers into the general funds were collectively up \$19 million in March. A \$14 million decrease in miscellaneous transfers was offset by notable gains from lottery transfers [up \$23 million] and gaming related transfers/proceeds [up \$10 million]. Capping off the robust month of March was an \$88 million increase in federal source revenues.

### **Year to Date**

With three-quarters of the fiscal year now complete, overall base receipts are up an extraordinary \$2.941 billion. Individual income tax receipts are \$973 million above last year’s pace on a net basis, while corporate income tax revenues have nearly matched this growth, up \$972 million net. These gains are despite the fact that the revenue totals of FY 2022 are compared to FY 2021 receipts that benefitted from last year’s final payment delay, valued at approximately \$1.3 billion. Just as impressive are sales tax receipts, which are now \$826 million higher than last year’s levels on a net basis. The revenue growth of the “big three” easily offset the combined \$69 million in declines of the remaining State sources.

Overall transfers continue to outpace last year’s levels and are now up \$462 million this fiscal year. A \$39 million reduction in refund fund transfers has been offset by increases in other areas, including \$350 million in gains from miscellaneous transfers; \$116 million from the return of riverboat transfers and related proceeds; and \$35 million in lottery transfer increases.

Federal sources, when not including the revenues from the ARPA Reimbursement for Essential Government Services, are \$223 million below last year’s levels with a quarter of the fiscal year remaining. [If the \$439 million of ARPA money that has been receipted in FY 2022 is included, total federal sources are up \$216 million].

**MARCH**  
**FY 2022 vs. FY 2021**  
(\$ million)

<u>Revenue Sources</u>	<u>Mar.</u> <u>FY 2022</u>	<u>Mar.</u> <u>FY 2021</u>	<u>\$</u> <u>CHANGE</u>	<u>%</u> <u>CHANGE</u>
<b>State Taxes</b>				
Personal Income Tax	\$3,147	\$2,545	\$602	23.7%
Corporate Income Tax (regular)	489	309	180	58.3%
Sales Taxes	892	786	106	13.5%
Public Utility Taxes (regular)	70	84	(14)	-16.7%
Cigarette Tax	25	21	4	19.0%
Liquor Gallonage Taxes	12	13	(1)	-7.7%
Vehicle Use Tax	4	4	0	0.0%
Inheritance Tax	52	72	(20)	-27.8%
Insurance Taxes and Fees	55	34	21	61.8%
Corporate Franchise Tax & Fees	17	22	(5)	-22.7%
Interest on State Funds & Investments	2	0	2	N/A
Cook County IGT	94	94	0	0.0%
Other Sources	30	18	12	66.7%
<b>Subtotal</b>	\$4,889	\$4,002	\$887	22.2%
<b>Transfers</b>				
Lottery	\$78	\$55	\$23	41.8%
Riverboat transfers & receipts	6	0	6	N/A
Proceeds from Sale of 10th license	10	6	4	66.7%
Refund Fund transfer	0	0	0	N/A
Other	34	48	(14)	-29.2%
<b>Total State Sources</b>	\$5,017	\$4,111	\$906	22.0%
<b>Federal Sources [base]</b>	\$479	\$391	\$88	22.5%
<b>Total Federal &amp; State Sources</b>	\$5,496	\$4,502	\$994	22.1%
<b>Nongeneral Funds Distributions/Direct Receipts:</b>				
<b>Refund Fund</b>				
Personal Income Tax	(\$291)	(\$229)	(\$62)	27.1%
Corporate Income Tax	(73)	(43)	(30)	69.8%
<b>Local Government Distributive Fund</b>				
Personal Income Tax	(173)	(140)	(33)	23.6%
Corporate Income Tax	(29)	(18)	(11)	61.1%
<b>Sales Tax Distributions</b>				
Deposits into Road Fund	(11)	0	(11)	N/A
Distribution to the PTF and DPTF	(86)	(55)	(31)	56.4%
<b>Subtotal General Funds</b>	\$4,833	\$4,017	\$816	20.3%
<b>Treasurer's Investments</b>	\$0	\$0	\$0	N/A
<b>Interfund Borrowing</b>	\$0	\$0	\$0	N/A
<b>ARPA Reimb. for Essential Gov't Services</b>	\$0	\$0	\$0	N/A
<b>Short Term Borrowing [MLF]</b>	\$0	\$0	\$0	N/A
<b>Total General Funds</b>	\$4,833	\$4,017	\$816	20.3%

CGFA SOURCE: Office of the Comptroller: Some totals may not equal, due to rounding

1-Apr-22

# GENERAL FUNDS RECEIPTS: YEAR TO DATE

FY 2022 vs. FY 2021

(\$ million)

Revenue Sources	FY 2022	FY 2021	\$ CHANGE	% CHANGE
<b>State Taxes</b>				
Personal Income Tax	\$19,304	\$18,113	\$1,191	6.6%
Corporate Income Tax (regular)	3,617	2,361	1,256	53.2%
Sales Taxes	8,100	7,022	1,078	15.4%
Public Utility Taxes (regular)	565	576	(11)	-1.9%
Cigarette Tax	192	207	(15)	-7.2%
Liquor Gallonage Taxes	140	134	6	4.5%
Vehicle Use Tax	29	27	2	7.4%
Inheritance Tax	433	379	54	14.2%
Insurance Taxes and Fees	305	346	(41)	-11.8%
Corporate Franchise Tax & Fees	162	258	(96)	-37.2%
Interest on State Funds & Investments	11	46	(35)	-76.1%
Cook County IGT	244	244	0	0.0%
Other Sources	215	148	67	45.3%
<b>Subtotal</b>	<b>\$33,317</b>	<b>\$29,861</b>	<b>\$3,456</b>	<b>11.6%</b>
<b>Transfers</b>				
Lottery	\$591	\$556	\$35	6.3%
Riverboat transfers & receipts	112	0	112	N/A
Proceeds from Sale of 10th license	10	6	4	66.7%
Refund Fund transfer	242	281	(39)	-13.9%
Other	693	343	350	102.0%
<b>Total State Sources</b>	<b>\$34,965</b>	<b>\$31,047</b>	<b>\$3,918</b>	<b>12.6%</b>
<b>Federal Sources [base]</b>	<b>\$3,551</b>	<b>\$3,774</b>	<b>(\$223)</b>	<b>-5.9%</b>
<b>Total Federal &amp; State Sources</b>	<b>\$38,516</b>	<b>\$34,821</b>	<b>\$3,695</b>	<b>10.6%</b>
<b>Nongeneral Funds Distributions/Direct Receipts:</b>				
<b>Refund Fund</b>				
Personal Income Tax	(\$1,786)	(\$1,630)	(\$156)	9.6%
Corporate Income Tax	(543)	(331)	(212)	64.0%
<b>Local Government Distributive Fund</b>				
Personal Income Tax	(1,061)	(999)	(62)	6.2%
Corporate Income Tax	(211)	(139)	(72)	51.8%
<b>Sales Tax Distributions</b>				
Deposits into Road Fund	(86)	0	(86)	N/A
Distribution to the PTF and DPTF	(442)	(276)	(166)	60.1%
<b>Subtotal General Funds</b>	<b>\$34,387</b>	<b>\$31,446</b>	<b>\$2,941</b>	<b>9.4%</b>
<b>Treasurer's Investments</b>	<b>\$0</b>	<b>\$400</b>	<b>(\$400)</b>	<b>N/A</b>
<b>Interfund Borrowing</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>N/A</b>
<b>ARPA Reimb. for Essential Gov't Services</b>	<b>\$439</b>	<b>\$0</b>	<b>\$439</b>	<b>N/A</b>
<b>Short Term Borrowing [MLF]</b>	<b>\$0</b>	<b>\$1,998</b>	<b>(\$1,998)</b>	<b>N/A</b>
<b>Total General Funds</b>	<b>\$34,826</b>	<b>\$33,844</b>	<b>\$982</b>	<b>2.9%</b>

CGFA SOURCE: Office of the Comptroller: Some totals may not equal, due to rounding

1-Apr-22